

Colorado

Public Utilities Commission



For Your Information

EG-2

DEREGULATED ELECTRIC COOPERATIVES IN COLORADO

Are you a customer of a rural electric association? Do you want to know if the Public Utilities Commission (PUC) can help resolve a complaint with your electric cooperative? After reading this information, you will know more about how rural electric associations are governed and under what circumstances the PUC can intervene in disputes.

BACKGROUND

In 1983, the Colorado Legislature created a process by which electric cooperatives could be exempted from public utilities law by a vote of their members. Since then, nearly all of the cooperatives in Colorado have removed themselves from PUC regulation.

Wheatland Electric Cooperative, Inc., a Kansas-based cooperative that serves some customers in southeast Colorado, as the only member-owned electric cooperative still under the jurisdiction of the PUC.

All other electric associations are governed by their own boards of directors and are outside of PUC authority for most issues.

WHAT DEREGULATION MEANS

Cooperative electric associations adopt their own rules and regulations to provide electric service to all members and consumers within their certificated territories. They must meet certain safety, construction and maintenance standards to ensure "reasonably continuous and adequate" service.

Deregulated rural electric associations do not have to get PUC approval before changing their rates or terms and conditions of service. The cooperative's board of directors may implement rate changes after giving 30 days public notice prior to the change. The PUC does retain safety jurisdiction and limited jurisdiction over consumer complaints.

To reach PUC Consumer Affairs:

1560 Broadway, Suite 250, Denver, CO 80202
303-894-2070 (local); 1-800-456-0858 (toll-free)
PUCConsumer.Complaints@dora.state.co.us

RESOLVING COMPLAINTS WITH ELECTRIC COOPERATIVES

In general, the PUC's authority over billing, deposit, disconnect or general service problems with a deregulated electric cooperative is limited. Customers of deregulated cooperatives have recourse on complaints through the cooperative's board of directors. Issues that are jurisdictional to the PUC include complaints about a utility refusing to provide service, or complaints about discriminatory rates.

If the Commission finds that a cooperative electric association is unwilling or unable to serve a customer or group of customers within its certificated territory, the Commission may allow those customers to be served by another electric utility.

The Commission may also resolve complaints from individual customers of deregulated electric cooperatives if the complaint concerns the granting of preferential treatment to one customer, or group of customers, over another in terms of rates, service or facilities.

COMPLAINTS SIGNED BY 25 OR MORE CUSTOMERS

By state law, no rates, charges, rules or regulations of a cooperative electric association may be "unjust or unreasonable." Under certain circumstances, formal complaints about these issues may be brought before the PUC. In order for the PUC to hear the complaint, it must be signed by no less than 25 customers or prospective customers of the cooperative. Or, it must be signed by the mayor or a majority of the council, commission or other legislative body of an affected city, county or town.

If you believe you have a dispute or an issue that would be jurisdictional to the PUC, you may contact the Consumer Affairs Office at the numbers listed on the front of this publication to discuss the matter or to obtain information regarding the filing of a formal complaint.

RE-REGULATION OF ELECTRIC COOPERATIVES

Customers of a deregulated electric cooperative may attempt to bring the association back under PUC authority through a vote of the membership. To initiate a re-regulation election, petitions must be submitted to the board of directors containing the signatures of 5 percent of the members and customers of an association. If the petitions are certified as valid, the PUC will conduct an election within 45 days.

(3/07)